

MANUFACTURING EXTENSION PARTNERSHIP

Success Stories from the Field

Marshon Fashion

Chicago Manufacturing Center

Workforce Training Grant Keeps Marshon's Fashions Alive

Client Profile:

Marshon's Fashions was launched in 1994 by African American entrepreneur Marilyn Horton. The company, located in Chicago, Illinois, originally designed and manufactured specialized clothing for people with physical disabilities. In 2002, the company expanded to produce clothing for the U.S. Department of Defense. Marshon's Fashions employs 100 people in its 15,000 square-foot facility.

Situation:

Marshon's Fashions hovered at the edge of bankruptcy. Ms. Horton, the company's only employee, was performing all manufacturing operations on one barely-operational sewing machine. Ms. Horton was unable to secure financing to expand the business, and had to scramble to keep her apparel-manufacturing dream alive. She requested a small share (75,000 units) of a 1.5 million-unit federal order providing coveralls for the armed forces. Ms. Horton then had to convince the Department of Defense and the Small Business Administration that Marshon's Fashions could produce them. Ms. Horton turned to the Sewn Products Technology Center, a division of the Chicago Manufacturing Center (CMC), a NIST MEP network affiliate, for help.

Solution:

CMC helped Marshon's Fashions secure a \$175,000 workforce training grant from the City of Chicago. The grant, managed by CMC, enabled Ms. Horton to hire a CMC consultant to act as plant manager for her facility in Chicago's Pilsen neighborhood. In addition, CMC gives Marshon's Fashions back office administrative assistance such as timesheet record keeping, help writing change order proposals, and guidance on contract interpretation, rights, and responsibilities.

CMC purchased approximately \$50,000 of equipment for Marshon's Fashions, hired 40 people, and trained them. CMC's experience and relationships in the industry gave suppliers a great level of comfort in selling to the fledgling firm. One month later, Marshon's Fashions made its first shipment of 2,040 units. By July 2002, Marshon's had shipped 4,750 coveralls. Output is currently estimated to increase by approximately 1,000 to 1,200 units per month until the 75,000-unit order is fulfilled in March 2003. CMC has also been instrumental in making sure Marshon's Fashions adheres to every one of the government specifications for this contract; to date, government auditors have

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not rejected a single shipment for noncompliance.

In August 2002, CMC oversaw Marshon's Fashions' expansion from 3,500 square-feet to 15,000 square-feet and from 40 employees to 100. That same month, Marshon's Fashions made its first profit, a total of \$165,000.

Results:

Re-established struggling manufacturer as a government contractor.

Obtained a \$175,000 workforce training grant to create 40 new jobs.

Made a \$50,000 capital investment.

Significantly increased capacity and productivity.

Expanded from 3,500 square-foot to 15,000 square-foot facility to accommodate increased activity.

Created 60 new jobs.

Gained a \$165,000 profit within one year of operations.

Testimonial:

"William Slewa of the Chicago Manufacturing Center definitely made a difference. He assisted in turning the company around with his extensive background in apparel. By working closely with the floor supervisor, William taught her sewing techniques and even how to repair the machines. William also taught us how to deal with suppliers and quality control for the facility."

Marilyn Horton, President